



General Assembly

***Substitute Bill No. 5457***

*February Session, 2002*

***AN ACT CONCERNING PAYMENT OF MORTGAGE LOAN PROCEEDS  
BY WIRE TRANSFER.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective October 1, 2002*) Any person or entity  
2       engaged in the business of making first mortgage loans in this state  
3       and licensed in accordance with sections 36a-485 to 36a-498, inclusive,  
4       of the general statutes, as amended by substitute senate bill 231 of the  
5       current session, that chooses to utilize a wire transfer to send the loan  
6       proceeds, shall transfer the loan proceeds to the account of the  
7       mortgagee's attorney by a wire transfer in a timely manner, but in any  
8       event not later than the scheduled date and time of the closing of the  
9       loan, except that in the case of a mortgage refinancing where any right  
10      of rescission under 12 CFR 226.23 has terminated, any such wire  
11      transfer shall be in a timely manner, but in any event not later than the  
12      disbursement date.

13      Sec. 2. (NEW) (*Effective October 1, 2002*) The Banking Commissioner  
14      may suspend, revoke or refuse to renew a license pursuant to section  
15      36a-51 of the general statutes, as amended, issued to a person or entity  
16      engaged in the business of making first mortgage loans in this state  
17      and licensed in accordance with sections 36a-485 to 36a-498, inclusive,  
18      of the general statutes, as amended by substitute senate bill 231 of the  
19      current session, that fails to comply with section 1 of this act.

This act shall take effect as follows:	
Section 1	<i>October 1, 2002</i>
Sec. 2	<i>October 1, 2002</i>

**BA**        *Joint Favorable Subst.*

**JUD**       *Joint Favorable*